

## Message Text

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17

ACTION OPIC-12

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 SP-03

CIEP-02 LAB-06 SIL-01 OMB-01 L-03 /091 W

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P 280702Z MAY 74

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC PRIORITY 3624

UNCLAS BANGKOK 8578

E. O. 11652: N/A

PASS OPIC

FOR MULLER, CLUMAN AND LIPMAN FROM NEILSON

SUBJ: P. T. UNITED COCONUT INDONESIA

1. ADJOURNED MEETING OF BOARD OF DIRECTORS OF MAY 24, NOT REPEAT NOT ATTENDED BY J. JORDAN, AFTER WRITTEN AND ORAL REQUESTS TO EXPLAIN HIS LATEST DRAFT OF MARKETING AGREEMENT. ALLEGED IMPROPER NOTICE. MARKETING DRAFT SUBMITTED STILL CONTAINS OBJECTIONABLE US\$400,000 BOND AND PRICING FORMULA.

2. BANKRUPTCY COURSE FOLLOWED BY JORDAN AVERTED. BOARD OF COMMISSIONERS SUSPENDED JORDAN FOR 30 DAYS. THIRTY DAYS LIMIT OF SUSPENSION POWERS OF COMMISSIONERS UNLESS RATIFIED BY ALL SHARE-HOLDERS. SUSPENSION ACTION FULLY SUPPORTED BY OPIC REP., PICA, GENTREX AND POLECO COMPNAY ON CONDITION POLECO WILL GIVE PROJECT FULL FINANCIAL AND MANAGEMENT SUPPORT.

3. ARNOLD BARAMULI, PRESIDENT OF COMMISSIONERS RESIGNED AS MEMBER THEREOF AND GIVEN PROXY BY BOARD OF DIRECTORS TO MANAGE COMPANY.

4. OPIC REP. REFUSED SALE OF UNITED US SHARES TO POLECO COMPANY  
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AND THE RELEASE OF UNITED US OBLIGATIONS OF PROJECT COMPLETION

AGREEMENT. JORDAN'S PROPOSAL OF ESCORWED FUNDS UNACCEPTABLE.

5. NO REPEAT NO SALE OR TRANSFER OF PICA SHARES.

6. OPIC REP. ATTENDED ORGANIZATION MEETING MAY 25 CONDUCTED  
BY A. BARAMULL. FOLLOWING ACTIONS TAKEN:

(A) EDWARD KELLY APPOINTED GENERAL MANAGER FOR PERIOD OF THREE  
MONTHS;

(B) TRANSFER OF 74,900.00 RUPIAHS, APPROXIMATELY US \$180,000  
FROM P.T. POLECO COMPANY TO SUBJECT COMPANY'S ACCOUNT AT MONODO  
TO MEET PAYROLL DUE MAY 25, ESSENTIAL OVERDUE ACCOUNTS PLANT  
COMPLETION AND RAW MATERIALS, PRINCIPALLY COCONUTS;

(C) BANK ACCOUNT WITHDRAWALS LIMITED TO JOINT SIGNATURES OF  
E. KELLY AND H. BARAMULI;

(D) START-UP PRODUCTION DATE, INCLUDING TESTING PERIOD TO BEGIN  
JUNE 1, 1974. KELLY ADVISES SHIPPING CAN START WITHIN 15 DAYS  
THEREAFTER;

(E) SIEBERS TO BE PAID MAY 27 BY POLECO. HODGSON TO BE PAID  
AFTER FULL ACCOUNTING OF 17,000,000 RUPIAHS ADVANCED BY POLECO  
FOR PREVIOUS PAYROLLS AND PROJECT EXPENSES;

(F) KELLY AND POLECO ACCOUNTING GROUP TO AUDIT ALL ACCOUNTS  
PAYABLE, INCLUDING JORDAN'S TECHNICAL AGREEMENT EXPENSES IN  
SINGAPORE. PANAM BILL FOR AIR TRAVEL, PRINCIPALLY JORDAN'S,  
IS US\$38,000.

(G) QUALITY CONTROL OFFICER TO BE OBTAINED.

7. OPIC REP. ARRANGED FOR AID ENGINEER LAWRENCE TO MAKE FULL  
ENGINEERING INSPECTION OF PLANT DURING TESTING PERIOD, INCLUD-  
ING MACHINERY, EQUIPMENT AND QUALITY CONTROL.

8. OPIC REP. AT SIAM INTERCONTINENTAL HOTEL, BANGKOK. PLEASE  
ADVISE ALMA.  
MASTERS  
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NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENT, LITIGATION, MARKETS, AGREEMENTS, COCONUTS, INVESTMENT PROGRAMS, STOCKS (SECURITIES),  
LOAN AGREEMENTS, INDUSTRIAL PLANTS  
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**Copy:** SINGLE  
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**Disposition Approved on Date:**  
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**Disposition Case Number:** n/a  
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**TAGS:** EFIN, TH, P T UNITED COCONUT  
**To:** STATE  
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